WS-36

UNITED STATES DEPARTMENT OF AGRICULTURE
Bureau of Agricultural Economics
Washington

WS-36 October 26, 1939

THE WHEAT SITUATION
Including Rye

Summary

The wheat price situation is complicated by an unusually large number of factors which might become important within the next few months, according to the Bureau of Agricultural Economics. These include changes in prospects for the United States 1940 winter wheat crop and in the Australian and Argentine crops to be harvested in December and January, political developments in Europe, the volume of exports, and general business conditions. Domestic wheat prices declined to about loan levels on October 7, but then reacted, strengthened by continued drought in winter wheat areas, small market receipts, and the sale of substantial quantities of Canadian wheat to the United Kingdom.

The domestic disappearance of wheat in the United States for the year beginning July 1, 1939 is forecast at 675 million bushels. With total supplies of 993 million bushels, consisting of a carry-over on July 1 of 254 million bushels and the indicated crop of 739 million bushels, a disappearance of this size would leave 318 million bushels available for export during the season, or for carry-over at the end of the marketing year.

Prospective world wheat supplies 1/ for the year beginning July 1, 1939 are now indicated to be about 240 million bushels more than a year ago. Increases in carry-over stocks July 1, 1939 more than offset the

1/ All references to world production and stocks in this report exclude the U.S.S.R. and China, except where noted.

decrease in production. World stocks 1/ of old wheat on July 1 are estimated at about 1,165 million bushels or about 565 million bushels more than a year earlier. World wheat production 1/ is now estimated at about 4,264 million bushels, or about 325 million bushels less than in 1938. The crop in the Northern Hemisphere is estimated to be about 3,792 million bushels, which is about 225 million bushels less than the harvest of 1938. Weather conditions to date indicate a decrease in production of about 100 million bushels for the Southern Hemisphere countries.

On the basis of present supply estimates and a moderate decrease in world disappearance, the world stocks on July 1, 1940 are expected to be about 1,440 million bushels. Stocks of this size would be a new high record and about 275 million bushels larger than the estimate for 1939.

World trade in wheat and flour for the year beginning July 1, 1939 is expected to be smaller than in 1938-39, when shipments totaled about 600 million bushels. Stocks available for export in surplus-producing countries greatly exceed this quantity. Exports of United States wheat and flour from July 1 to October 15 amounted to about 19 million bushels compared with about 30 million bushels for the same period a year earlier.

The production of rye in the 20 countries for which reports are available, and which produced about 85 percent of the estimated world production in 1938, is estimated at about 913 million bushels, or about 3 million bushels above the total for these countries last year. The 17 European countries reporting show an increase of about 1 percent compared with the 1938 production.

1/ All references to world production and stocks in this report exclude the U.S.S.R. and China, except where noted.

THE WORLD WHEAT SITUATION 2/

BACKGROUND.- Total world supplies of wheat increased sharply from 1924 to 1933, largely as a result of increased acreage.2/ From 1934 to 1936 world supplies declined, following successive years of small yields and increased world demand. Supplies increased slightly in 1937. With the return of more normal yields on the large acreage, supplies in 1938 were again large - the largest on record up to that time.

Total world shipments of wheat averaged 751 million bushels for the period 1923-37, reached a peak of 913 million bushels in the year beginning July 1928, and then declined sharply, largely as a result of the measures taken by importing countries to reduce the use of foreign wheat. For the year beginning July 1, 1938, world shipments were 598 million bushels.

World wheat prices declined in the period 1924-33 with the increase in world supplies. The sharp decline in prices after 1929 was due largely to the general decline in industrial activity and commodity prices. From the spring of 1933 to the summer of 1937, world wheat prices moved steadily upward, reflecting a world-wide recovery in commodity price levels, currency depreciation, and reduced production. The world price for the 1937 crop remained practically unchanged from that of a year earlier. In 1938 world prices again declined sharply as a result of the record world production and weakness of demand.

World July 1939 stocks estimated at 580 million bushels above 1938 stocks

The world wheat carry-over on July 1, 1939 is now estimated at 1,165 million bushels, compared with the Bureau's June approximation of 1,200 million bushels. The largest increase in exporting countries (table 1) occurred in Argentina, where stocks are estimated to have increased 121 million bushels. The increase in the United States wheat stocks at 101 million bushels was the second largest. Importing European countries increased their stocks by about 195 million bushels.

2/ All references to world production and stocks in this report exclude the U.S.S.R. and China, except where noted.

Table 1.- Estimated world old crop wheat stocks 1/, about July 1, 1938 and 1939

Countries	1938	1939 2/	1939 compared with 1938
	Million bushels	Million bushels	Million bushels
United States 3/	154	255	+ 101
Canada	36	118	+ 82
Argentina	75	196	+ 121
Australia	60	64	+ 4
Danube	40	75	+ 35
Others and afloat	80	107	+ 27
Total of above	445	815	+ 370
Europe, excluding Danube and Soviet Russia	155	350	+ 195
Total 1/	600	1,165	+ 565

1/ Excludes Soviet Russia and China. Comparable estimates for 1937 in "The Wheat Situation," September 23, 1938, page 6, table 2.
2/ Preliminary.
3/ Old-crop wheat only.

World 1939 crop now estimated at 527 million bushels below 1938 crop

The world production of wheat in the 1939-40 season is still estimated at 4,264 million bushels, as compared with the 1938-39 crop of 4,588 million bushels. The estimate places the production for this year second only to that of 1938-39, when an all-time record crop was reported. The current estimate of the crop is 7 percent less than that of last year. The production in the Northern Hemisphere is now placed at 3,792 million bushels, compared with 4,014 million bushels in 1938. The production in Europe, excluding Soviet Russia, is estimated at 1,709 million bushels, compared with the record 1938 production of 1,859 million bushels.

In Argentina abundant, heavy rains have supplied more than adequate moisture supplies and clear, dry weather is now desirable. High temperatures throughout most of the winter have caused abnormal development, which puts the crop in a condition unfavorable for withstanding frost damage. The second estimate shows a reduction in the acreage seeded for harvest in late 1939 and the early part of 1940 to 17,791,000 acres, from the prior estimate of 18,532,000 acres. This is a 15 percent reduction from the large acreage sown for harvest last year. The outlook for the Australian crop is generally good.

Over large areas of Europe cold, wet weather is retarding the progress of field work and is unfavorable to seeding. This is reported to be true of Italy, Germany, Rumania, Bulgaria, Yugoslavia, and parts of other countries.

In Soviet Russia, 84 percent of the acreage provided for in the Plan had been seeded on September 30. This compares with 86 percent seeded on the same date of last year.

Table 2.- Production of wheat in specified countries, 1936 to 1939

Country	1936	1937	1938	1939
NORTHERN HEMISPHERE	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
North America:				
United States	626,766	875,676	930,801	739,445
Canada	219,218	180,210	350,010	449,058
Mexico	13,581	10,587	13,425	1/ 13,000
Total (3)	859,565	1,066,473	1,294,236	1,201,503
Europe:				
England and Wales	51,445	52,005	69,253	56,149
Scotland	3,547	4,181	3,883	3,360
Northern Ireland	273	164	213	152
Ireland	7,839	6,990	7,398	2/ 8,000
Norway	2,094	2,497	2,637	2,535
Sweden	21,635	25,720	30,184	31,452
Denmark	11,266	13,521	16,935	2/ 14,000
Netherlands	15,428	12,615	15,939	13,301
Belgium	16,153	15,550	20,131	2/ 16,000
France	254,618	257,838	372,867	2/ 276,000
Spain	121,457	110,000	96,000	112,000
Luxemburg	1,071	1,206	1,830	997
Portugal	8,651	14,668	16,534	2/ 18,300
Italy	224,570	296,282	297,319	294,400
Switzerland	4,470	6,184	7,812	6,559
Germany	162,660	164,120	204,956	3/ 205,175
Austria	14,039	14,709	16,207	
Czechoslovakia	55,583	51,266	65,708	2/ 40,000
Greece	19,537	30,049	36,135	35,274
Poland	78,357	70,774	79,802	83,407
Lithuania	8,027	8,109	9,233	9,223
Latvia	5,272	6,302	7,052	2/ 6,500
Estonia	2,433	2,786	3,139	3,013
Finland	5,259	7,665	9,405	8,231
Malta	236	326	296	1/ 300
Albania	1,106	1,636	1,650	1/ 1,600
Bulgaria	60,351	64,910	78,951	71,155
Hungary	87,789	72,157	98,777	4/ 112,092
Rumania	128,717	138,158	177,154	176,368
Yugoslavia	107,422	86,238	111,330	103,741
Total Europe, (30) excluding Soviet Russia	1,481,305	1,535,626	1,858,730	1,709,284

Continued -

Table 2.- Production of wheat in specified countries, 1936 to 1939 - Continued

Country	1936	1937	1938	1939
NORTHERN HEMISPHERE - Continued	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
Africa:				
Algeria	29,774	33,106	34,941	42,622
Morocco	12,234	20,895	23,172	38,764
Tunisia	8,083	17,637	13,963	18,555
Egypt	45,700	45,377	45,935	49,008
Total (4)	95,791	117,015	118,011	148,949
Asia:				
Palestine	2,795	4,682	1,633	5,000
Syria and Lebanon	15,704	17,227	23,674	1/ 22,000
India	352,203	364,075	401,856	370,608
Japan	45,191	50,407	45,244	5/ 61,036
Chosen	8,161	10,323	10,401	12,286
Turkey	141,582	132,985	156,097	1/ 158,000
Total (6)	565,636	572,699	638,905	628,930
Total 43 countries	3,002,297	3,301,813	3,909,882	3,688,666
Estimated Northern Hemisphere total, excluding Soviet Russia and China.	3,107,000	3,406,000	4,014,000	3,792,000
SOUTHERN HEMISPHERE				
Argentina	249,193	184,801	336,201	6/ 230,000
Australia	151,390	187,256	154,426	1/ 160,000
Union of South Africa	16,077	10,157	17,093	1/ 15,000
Estimated world total, excluding Soviet Russia and China	3,579,000	3,852,000	4,580,000	4,264,000

Compiled from official data except as otherwise noted.

1/ Approximation.
2/ Estimate of the London office of the Bureau.
3/ Includes Austria and the Sudeterland.
4/ Production within new boundaries.
5/ The Shanghai office of the Foreign Service considers this estimate too high.
6/ Based on weather conditions to date.

World wheat stocks July 1, 1940 expected to be record

On the basis of present supply estimates and a moderate decrease in world disappearance, the world stocks on July 1, 1940 are expected to be about 1,440 million bushels. Stocks of this size would be about 250 million bushels larger than the record in 1934 and about 275 million bushels larger than the estimate for 1939.

Table 3.- Estimated world wheat supply and prospective distribution, years beginning July 1, 1938 and 1939

Item	Year beginning July 1	
	1938 estimate	1939 indications
	Million bushels	Million bushels
Stocks July 1	600	1,165
Production	4,588	1/ 4,264
Total supply	5,188	4,529
Net exports from Soviet Russia	37	1/ 12
Total of above	5,225	5,441
Disappearance	4,060	2/ 4,000
Stocks June 30	1,165	1,441

1/ Based on current estimates of production in the Northern Hemisphere, and prospects in the Southern Hemisphere.
2/ Disappearance will depend upon a number of unpredictable factors.

World trade in 1939-40 expected to be smaller than in 1938-39

World wheat and flour trade for the year beginning July 1, 1939 is expected to be smaller than in 1938-39 when shipments totaled about 600 million bushels. The quantities available for export are estimated from July 1 stocks plus production, after allowing for annual utilization and a carry-over at the end of the year. In the four major exporting countries and the Danubian countries, the quantities available total about 875 million bushels. There are perhaps 125 million bushels in the United States, 300 million bushels in Canada, 250 million bushels in Argentina, and 110 million bushels in Australia, besides about 90 million bushels in the Danubian countries. This does not take into consideration exports from other countries including India, the U.S.S.R., North Africa, and Turkey.

The surplus available for export on October 1 is shown in table 9, and current trade statistics with comparisons in tables 10 to 13.

Table 4.- Spreads between domestic wheat prices and prices at Winnipeg and Liverpool, specified periods, 1937-39

Month and year	Dec. futures per bushel: Chicago related to Winnipeg	Dec. futures per bushel: Chicago related to Liverpool	Dec. futures per bushel: Kansas City related to Winnipeg	Dec. futures per bushel: Kansas City related to Liverpool	Cash wheat per bushel: No. 2 Hard Winter (Kansas City) related to No. 3 Manitoba (Winnipeg)	Cash wheat per bushel: No. 2 Hard Winter (Kansas City) related to Parcels (Liverpool)
	Cents	Cents	Cents	Cents	Cents	Cents
Aug.						
1937	- 11.3	- 16.5	- 17.5	- 22.7	- 10.1	- 23.0
1938	- 2.3	- 9.7	- 6.6	- 14.0	- 6.1	- 19.2
1939	11.1	11.9	6.0	6.8	17.4	13.6
Sept.						
1937	- 17.3	- 23.6	- 22.	- 28.8	- 34.1	- 26.5
1938	2.8	- 6.8	- 0.9	- 10.5	7.9	- 13.3
1939	15.4	1/	10.6	1/	23.2	---
Week ended Oct. 14						
1937	- 19.7	- 28.0	- 22.7	- 31.0	- 12.1	---
1938	5.3	- 2.4	1.3	- 6.4	10.0	---
1939	17.9	1/	13.0	1/	22.2	---

1/ Liverpool closed until further notice.

(-) before figure denotes Chicago or Kansas City below Winnipeg or Liverpool.

Government measures designed to meet war conditions

A number of governmental changes in wheat policy have taken place since the outbreak of hostilities in Europe. The British Government on September 4 took action to requisition all grain stocks in the United Kingdom, and closed the Liverpool and London futures markets. Control of the nationalized wheat stocks and of imports is vested in the Ministry of Food, under which Port Area Grain Committees and a Cereals Purchasing Committee have been established. Cash trading at fixed prices is now permitted in Liverpool and London. The Cereals Purchasing Committee is in charge of all grain imports. Millers are required to produce straight-run flour of 70 percent extraction. Recently the British Food Ministry increased the proportional Canadian wheat in milling mixtures to 40 percent, compared with the 20 percent previously required.

The Argentine Government on September 6 suspended the domestic minimum price of 7 pesos per quintal, which served to remove the peg from the Buenos Aires market.

The Commonwealth Government of Australia on September 14 announced that it would requisition all domestic wheat stocks other than those on farms, and that a compulsory marketing pool would be organized.

The Canadian Government on September 8 announced that the Winnipeg futures market would continue to operate for the present.

Winnipeg prices lower than a month ago

Winnipeg prices after reaching the war-influenced peak in early September declined until early October, largely as the result of limited inquiry by exporters and some relief from acute drought in the United States winter wheat areas. Increased concern over developments in Europe and, more recently, relatively large purchases of Canadian wheat by the United Kingdom have been strengthening factors. However, this was partly offset by heavy country movement which has made it necessary to embargo shipments to Fort William and Port Arthur. Winnipeg December futures averaged 65 cents for the week ended October 14, compared with 73 cents for the week ended September 9, and 64 cents for the week ended October 7 (table 8). December wheat futures at Winnipeg for the week ended October 14 averaged 18 cents lower than at Chicago, compared with 15 cents lower for the month of September, and 11 cents lower for August (table 4).

THE DOMESTIC WHEAT SITUATION

BACKGROUND. - The carry-over of old wheat in the United States averaged about 220 million bushels in the 10-year period 1929-38. In 1933 stocks reached a record peak of about 360 million bushels. The domestic disappearance during the 10 years, 1929-38, averaged about 685 million bushels.

Domestic wheat prices from the spring of 1933 to that of 1937 were unusually high in relation to world prices, as the result of small crops in the United States. During the year beginning July 1936, both world and domestic prices advanced sharply as a result of increased demand and small supplies. Prices received by producers for the 1936-37 season averaged 103 cents per bushel; for the 1937-38 season, 96 cents; and for the 1938-39 season, 55 cents. Prices were lower in 1938-39 largely as the result of the large world wheat supplies.

Domestic disappearance in 1939-40 now forecast at 675 million bushels

The domestic disappearance of wheat in the United States for the year beginning July 1, 1939 is now placed at 675 million bushels. This is 20 million bushels less than the early forecast. The higher levels of wheat prices relative to feed grain prices since early September have

made it desirable to reduce the estimated quantity which will be used as feed. The October 1 crop report increased the indication for spring wheat production by 3.3 million bushels, indicating the total wheat crop in the United States at 739.4 million bushels. On the basis of these revisions there appear to be about 318 million bushels of wheat available for export or carry-over at the end of the season (table 5). The volume of the exports from the United States during the current year is not predictable at this time, but it is expected to be materially less than the 109 million bushels last season. Exports of United States wheat and flour from July 1 to October 15 amounted to about 19 million bushels compared with about 30 million bushels for the same period a year earlier.

Table 5.- Estimated United States wheat supply and distribution, years beginning July 1, 1937-39

Item	1937	1938	1939 1/
	Mil. bu.	Mil. bu.	Mil. bu.
Supply			
Stocks, of old wheat July 1	83	153	254
Production	876	931	739
Total supplies	959	1,084	993
Distribution			
Domestic disappearance	703	721	675
Net exports 2/	103	109	318
Stocks at end of year	153	254	

1/ Preliminary.
2/ Includes shipments to Territories.

July-September farm wheat disappearance above average

Stocks of wheat remaining on farms October 1 are estimated at 332 million bushels, or about 45 percent of this year's indicated production. The quantity on farms on October 1 was smaller than the 401 million bushels a year earlier, and smaller than the 10-year average of 340 million bushels, but it was larger than in any year since 1932, excepting 1938. The disappearance of wheat from farms during the period July 1 to October 1 was 498 million bushels, compared with 588 million bushels during the same period last year, and the 10-year average of 464 million bushels for July - October 1 disappearance.

Stocks of wheat on farms, together with commercial stocks, for recent years are shown in table 6. Data for stocks in country mills and elevators will be released October 25, and data for stocks in merchant mills and elevators will be available about the first of November.

Table 6.- Wheat stocks on farms and in cities (commercial) on October 1, 10-year average, 1937-39

Item	Average 1928-37	1937	1938	1939
	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.
Farm stocks	340,348	326,503	401,411	332,213
Commercial stocks	156,624	141,496	139,273	162,045
Total in 2 portions	496,972	467,999	540,684	494,258

United States wheat production now indicated at 739 million bushels

The preliminary estimate of wheat production is 739 million bushels, compared with 931 million bushels in 1938 and the 10-year (1928-37) average of 753 million bushels. The 1939 production is smaller than the 1938 crop by 191 million bushels, or approximately 21 percent, but it is smaller than the 10-year average by only about 14 million bushels, or about 2 percent. The decrease in production compared with last year is a result of decreased acreage, since the indicated 1939 yield per acre is 0.1 bushels above the 1938 yield. The October 1 preliminary estimate of the production in 1939 is slightly above the September 1 forecast, because of spring wheat yields exceeding earlier expectations in a few Northern Plains and Northwestern States. No change has been made in the estimate of winter wheat production since August, at which time the crop was estimated at 551 million bushels.

The production of spring wheat, other than durum, is estimated to be 156 million bushels, which is almost 25 percent less than the 1938 crop, but only 1 percent below the 10-year average. The 1938 production of other spring wheat was 204 million bushels, and the 10-year average 158 million bushels. Other spring wheat yields exceeded earlier expectations in Colorado and the Northwestern States. The October 1 indicated yield is 11.7 bushels per acre, compared with the 1938 yield of 12.0 bushels, and the 10-year average of 10.9 bushels.

Durum wheat production is estimated at 33 million bushels. The production is 7 million bushels, or about 18 percent, smaller than the 1938 crop of 40 million bushels but, excepting last year's crop, it is the largest production of durum wheat since 1932. The 10-year average production of durum wheat is 35 million bushels. The October 1 indicated yield of 10.7 bushels per acre is somewhat lower than the 1938 yield of 11.4 bushels, but is above the 10-year average of 9.4 bushels.

Domestic prices recover part of decline which ended October 9

Domestic wheat prices declined from the middle of September to about October 7, largely as the result of slow domestic and foreign

demand. Prices on October 9 fell to around loan values but since that time have recovered a part of the decline. Continued drought in winter wheat areas, small market receipts, and the sale of Canadian wheat to the United Kingdom have served to raise prices again above loan levels. The weighted price of No. 2 Hard Winter Wheat at Kansas City on October 21 was 83 cents, compared with 90 cents on September 6 when prices were high, and 79 cents on October 7, when prices were low, and the loan value at Kansas City was 80 cents. Cash prices at other domestic markets are shown in table 7 and futures prices, both in domestic and foreign markets, in table 8.

The withholding of wheat from market this year has been an important market factor. Up to October 15, about 136 million bushels of wheat had been pledged as collateral against Commodity Credit Corporation loans, of which about 19 million bushels were in farm storage and 117 million bushels in elevators. Up to October 21, a year ago, only 20 million bushels had been pledged.

The wheat price situation is complicated by an unusually large number of factors which might become important within the next few months, according to the Bureau of Agricultural Economics. These include changes in prospects for the United States 1940 winter wheat crop and in the Australian and Argentine crops to be harvested in December, political developments in Europe, the volume of exports, and general business conditions.

Table 7.- Weighted average cash price of wheat, specified markets and dates, 1938 and 1939

Month or date	All classes: and grades: six markets		No. 2 Hard Winter: Kansas City		No. 1 Dk.N.Spring: Minneapolis		No. 2 Amber Durum: Minneapolis		No. 2 Red Winter: St. Louis		Western White: Seattle 1/	
	1938	1939	1938	1939	1938	1939	1938	1939	1938	1939	1938	1939
	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.
Month-												
July	68.4	67.5	70.0	66.7	87.6	77.8	79.8	73.3	68.9	68.5	67.8	68.6
Aug.	59.9	72.2	65.5	64.6	77.5	76.2	73.1	80.1	65.6	68.5	61.2	69.5
Sept.	68.3	90.0	65.7	85.9	76.2	92.5	68.9	94.9	67.1	88.4	62.7	81.0
Week ended-												
Sept. 2	69.5	77.3	66.7	67.5	76.2	81.3	69.5	83.1	66.6	73.9	62.1	70.6
9	66.8	92.9	62.8	87.0	75.3	94.6	67.6	97.9	64.1	94.2	61.0	84.2
16	69.4	91.1	64.6	86.0	78.8	94.1	70.1	95.9	67.4	89.6	63.6	81.4
23	68.7	90.5	65.9	86.5	75.8	93.3	69.1	93.7	67.9	89.8	62.0	80.8
30	68.3	88.5	66.8	85.3	76.7	90.5	69.0	93.4	68.6	88.4	64.2	80.0
Oct. 7	64.9	85.3	63.8	82.5	73.3	88.0	65.1	90.6	67.6	86.1	62.2	77.4
14	65.7	83.6	65.9	81.5	72.9	85.9	66.2	89.3	68.9	85.8	63.5	78.9
High 2/	71.0	92.9	71.1	87.0	97.6	94.6	83.4	97.9	69.1	94.2	69.4	84.2
Low 2/	64.9	65.4	62.8	62.3	72.9	73.8	65.1	68.3	63.5	65.5	59.7	66.6

1/ Weekly average of daily cash quotations, basis No. 1 sacked.
2/ July 8 to October 14, 1939, and corresponding dates for 1938.

Table 8.- Average closing price of December wheat futures, specified markets and dates, 1938 and 1939

Month or date	Winnipeg 1/		Liverpool 1/		Buenos Aires		Chicago		Kansas City		Minneapolis	
	1938	1939	1938	1939	1938	1939	1938	1939	1938	1939	1938	1939
Month	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
July	76.0	56.0	82.6	57.4	---	---	72.9	67.6	67.6	62.9	76.9	70.6
Aug.	68.1	55.2	75.5	54.4	---	---	65.8	66.3	61.5	61.2	68.8	69.0
Sept.	61.8	69.0	71.4	---	---	---	64.6	84.4	60.9	79.6	66.5	85.2
Week ended												
Sept.2	61.0	59.6	72.2	52.4	2/ 61.9	2/ 55.1	64.7	70.4	61.2	65.3	66.6	72.0
9	59.0	73.0	67.6	3/	4/ 57.4	2/ 54.3	62.5	85.1	59.3	79.8	64.4	86.7
16	63.6	70.4	71.4	---	4/ 61.2	2/ 53.3	65.7	85.4	61.6	80.7	67.6	86.9
23	62.2	68.8	72.6	---	4/ 60.6	4/ 55.8	64.6	85.9	60.5	81.2	66.3	86.2
30	62.5	65.9	73.4	---	4/ 62.0	4/ 55.8	65.6	84.4	61.7	80.1	67.4	84.2
Oct. 7	58.8	63.6	68.2	---	4/ 58.8	4/ 53.9	64.2	81.9	60.0	77.2	65.5	81.6
14	59.7	65.0	67.4	---	4/ 57.2	4/ 52.3	65.0	82.7	61.0	78.0	66.0	81.3
High 5/	77.6	73.0	83.0	60.5	6/ 65.1	6/ 58.5	74.7	85.9	68.9	81.2	78.5	86.9
Low 5/	58.8	52.9	67.4	52.4	6/ 57.2	6/ 52.3	62.5	64.4	59.3	59.5	64.4	67.4

1/ Conversions at noon buying rate of exchange. 2/ October futures. 3/ Closed until further notice. 4/ November futures. 5/ July 8 to October 14, 1939, and corresponding dates, 1938. 6/ October and November futures.

Table 9.- Wheat surplus for export or carry-over in three exporting countries, United Kingdom port stocks and stocks afloat, October 1, 1936-39 1/

Position	1936	1937	1938	1939
Canada	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.
In Canada	184	93	230	387
In the United States	19	1	2	11
Argentina	21	10	21	107
Australia	21	17	20	2/
Total	245	126	273	
United Kingdom port stocks	6	9	17	2/
Stocks afloat to:				
United Kingdom	17	10	8	2/
Continent	9	9	12	2/
Orders	3	3	9	2/
Total	35	31	46	
Grand total	280	157	319	

1/ Carry-over at the beginning of the year (Canada, July 31; Argentina, January 1; Australia, December 1 of the previous year) plus production, minus domestic utilization for the year minus monthly exports to date. 2/ Not available.

Table 10.- Movement of wheat, including flour, from principal exporting countries, 1936-37 to 1939-40

Country	Exports as given by official sources: Total 1936-37	Total 1937-38	Total 1938-39	July 1 to date shown 1937-38	July 1 to date shown 1938-39	July 1 to date shown 1939-40	Date
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	
United States 1/	21,584	107,194	115,784	10,618	24,434	16,357	Aug. 31
Canada	213,028	94,546	159,885	25,237	30,130	45,091	Sept. 30
Argentina	162,977	69,670	116,116	7,765	10,652	27,300	Aug. 31
Australia	97,712	123,453	96,685	13,076	17,904	10,364	Aug. 31
Soviet Union	4,479	43,354	---				
Hungary	27,428	9,368	27,651	502	86	1,978	July 31
Yugoslavia	17,954	5,012	5,346	391	1	111	July 31
Rumania	36,258	32,210	43,696	1,318	1,237	3,128	July 31
Bulgaria	7,275	8,409	2,633	781	173	1,042	July 31
British India	16,571	19,677	2/10,011				
	605,266	512,973	577,807				

	Shipments as given by trade sources: Total 1937-38	Total 1938-39	Week ended 1939 Sept. 30	Week ended 1939 Oct. 7	Week ended 1939 Oct. 14	July 1 - Oct. 14 1938	July 1 - Oct. 14 1939
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
North America 3/	184,720	245,296	5,010	3,824	1,740	65,312	57,268
Canada 4/	94,546	169,685	2,600	3,100	---	5/36,200	5/48,200
United States 6/	83,589	94,157	924	830	907	26,297	17,144
Argentina	66,928	114,272	2,931	1,853	2,698	17,840	46,849
Australia	127,520	102,116	---	---	---	7/18,696	7/11,028
Soviet Union	42,248	39,824	0	0	464	30,920	2,000
Danube and Bulgaria 8/	37,232	52,848	0	832	872	5,208	9,160
British India	9/19,677	6,280	0	0	0	6,064	0
Total 10/	478,325	560,636				144,040	126,305
Total European shipments 3/	397,592	450,784	6,848			11/109,552	11/95,168
Total ex-European shipments 3/	99,400	146,760	1,704			11/ 28,280	11/28,008

1/ Includes flour milled in bond from foreign wheat.
2/ Incomplete; excludes land trade for June.
3/ Broomhall's Corn Trade News.
4/ Official exports as reported to date, supplemented by reported weekly clearances of wheat, and estimates of flour shipments.
5/ Through October 7 only.
6/ Official reports received from 16 principal ports only.
7/ Through September 2 only.
8/ Black Sea shipments only.
9/ Official.
10/ Total of trade figures includes North America as reported by Broomhall's but does not include items 2 and 3.
11/ Through September 30 only.

Table 11.- Shipments of wheat, including flour from principal exporting countries, specified dates, 1938 and 1939

Period	Argentina		Australia		Danube		North America	
	1938	1939	1938	1939	1938	1939	1938	1939
	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.
July-Aug.	12,308	28,860	18,696	11,028	1,727	5,728	37,384	36,440
Week ended-								
Sept. 9	764	4,672	1,456	1/	456	384	3,400	4,800
16	1,116	2,836	1,330	1/	624	200	4,152	2,352
23	880	2,999	1,704	1/	384	624	4,296	3,102
30	1,524	2,931	1,256	1/	552	0	5,536	5,010
Oct. 7	836	1,853	972	1/	400	832	5,776	3,824
14	412	2,698	1,708	1/	920	872	4,768	1,740
21	796	2,689	844	1/	680	512	8,104	---

Compiled from Broomhall's Corn Trade News.
1/ Not available.

Table 12.- Exports of wheat and wheat flour from the United States, 1938 and 1939

(Includes flour milled in bond from foreign wheat)

Period	Wheat		Wheat flour		Wheat including flour	
	1938	1939	1938	1939	1938	1939
	1,000 bushels	1,000 bushels	1,000 barrels	1,000 barrels	1,000 bushels	1,000 bushels
July-Aug.	20,744	8,380	785	1,591	24,434	16,357
Week ended 1/						
Sept. 9	558	149	42	48	755	375
16	508	775	68	80	828	1,151
23	939	76	37	99	1,173	541
30	836	515	28	87	968	924
Oct. 7	572	266	55	120	830	830
14	567	2/ 663	100	2/ 52	1,037	2/ 907

Compiled from reports of the Department of Commerce.
1/ Data for total exports from the United States by weeks are not available. These data represent exports through 16 of the principal ports.
2/ Preliminary.

Table 13.- Net imports of wheat including flour, into European countries, years beginning July 1, 1937 to 1939

Country	1937-38	1938-39	Reported net imports July 1 to:	1938-39	1939-40
	Mil. bu.	Mil. bu.		Mil. bu.	Mil. bu.
Belgium	36	39			
Czechoslovakia	1/ - 1	1/ - 1	July 31	1	2/
Denmark	6	5	Aug. 31	1	1
Finland	3	2	July 31	2/	2/
France	15	1/ - 2	July 31	1	1/ - 2
Germany) Austria)	54	45	July 31	1	1
Greece	18	14			
Ireland	14	17	Aug. 31	2	3
Italy	5	14	July 31	3	2
Latvia	1	0			
Netherlands	24	29	Aug. 31	5	7
Norway	7	8	July 31	2/	1
Poland	3/	1/ - 3	July 31	3/	3/
Portugal	1	4	July 31	2	2/
Sweden	1/ - 1	2	Aug. 31	2/	2/
Switzerland	14	17	Aug. 31	3	3
United Kingdom	193	220	Aug. 31	38	48
Total imports of above	391	416			
Spain	3	16			
Total imports	394	432		57	66
Total exports	2	6		---	2
Total net imports	392	426		57	64

Compiled from official sources except as otherwise stated.

1/ Net exports.
2/ Less than 500,000 bushels.
3/ Net exports of less than 500,000 bushels.

Table 14.- Average price per bushel of wheat received by farmers, United States, 1908-39

Year beginning July	July 15	Aug. 15	Sept. 15	Oct. 15	Nov. 15	Dec. 15	Jan. 15	Feb. 15	Mar. 15	Apr. 15	May 15	June 15	Crop year average 1/
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
1908	90.0	89.6	89.6	91.0	92.2	93.2	94.4	99.6	105.4	111.4	119.7	122.2	96.7
1909	114.0	101.2	94.9	97.2	99.2	101.0	104.2	105.0	104.8	102.2	98.8	96.4	99.1
1910	97.1	97.4	94.8	92.1	89.4	88.4	89.2	87.6	84.6	84.2	85.4	85.3	90.8
1911	83.5	83.8	86.6	90.0	89.4	87.7	89.2	90.6	91.6	96.1	101.2	100.9	86.9
1912	94.4	87.8	84.6	83.6	79.9	76.1	78.0	80.2	79.8	80.0	81.8	82.0	80.7
1913	79.2	77.1	77.5	77.4	78.4	80.4	81.3	82.4	83.6	84.0	84.2	80.6	79.4
1914	76.7	84.9	93.4	95.4	97.9	103.2	118.8	131.8	132.6	135.6	135.6	117.2	97.4
1915	104.6	100.8	93.0	92.0	92.5	97.4	108.4	108.4	100.8	100.6	101.2	96.5	96.1
1916	100.0	119.2	133.3	147.4	159.4	155.3	157.6	164.6	172.2	213.0	247.2	234.3	143.4
1917	224.5	219.3	205.2	200.3	200.4	201.4	201.6	202.0	202.6	203.1	203.0	202.8	204.7
1918	203.8	205.0	205.7	205.9	205.1	204.5	206.2	207.8	211.1	222.6	229.8	225.2	205.0
1919	219.6	211.4	207.6	211.4	214.0	223.4	233.8	231.2	230.3	242.6	250.8	256.0	216.3
1920	242.9	225.4	216.5	201.2	165.8	146.4	149.2	148.2	140.4	122.1	119.0	119.8	182.6
1921	108.5	103.0	103.4	99.9	93.4	93.0	95.2	107.0	117.0	119.0	118.8	109.6	103.0
1922	99.8	92.6	89.2	94.1	99.4	103.2	104.6	104.4	106.0	108.4	108.2	100.8	96.6
1923	89.6	86.4	91.0	94.2	93.7	94.5	96.7	98.0	98.8	95.8	96.8	98.5	92.6
1924	105.8	116.8	114.2	129.7	133.6	141.1	162.1	169.8	164.0	140.5	149.1	152.7	124.7
1925	140.3	150.4	144.4	136.4	148.8	153.7	158.1	155.5	146.0	142.2	142.1	138.9	143.7
1926	127.7	125.1	117.7	121.4	123.6	122.8	122.2	122.8	120.9	117.2	123.2	130.1	121.7
1927	127.3	123.5	119.2	113.7	111.4	113.9	115.2	116.2	121.6	129.2	144.3	132.0	119.0
1928	118.1	95.2	94.4	98.7	97.1	98.2	98.5	104.2	104.7	99.8	90.1	86.8	99.8
1929	101.6	110.0	111.4	110.7	102.8	107.3	107.5	101.3	91.9	93.4	87.5	87.9	103.6
1930	70.6	74.0	70.3	65.6	60.0	61.3	59.1	58.7	58.3	59.2	59.9	51.9	67.1
1931	36.3	35.4	35.7	36.1	50.5	44.1	44.1	44.0	44.2	43.1	42.4	37.3	39.0
1932	35.6	38.5	37.4	34.6	32.8	31.6	32.9	32.3	34.5	44.8	59.0	53.7	38.2
1933	86.9	74.7	71.1	63.6	71.1	67.3	69.4	72.0	70.9	68.7	69.5	78.9	74.4
1934	78.8	89.6	92.2	88.5	88.1	90.6	89.3	87.9	85.5	90.2	87.8	77.3	84.8
1935	76.4	80.8	85.2	95.1	87.6	89.0	92.0	91.1	89.5	85.4	81.6	79.9	83.2
1936	94.1	104.8	104.3	106.8	106.4	114.5	123.6	124.9	123.2	126.6	118.3	108.9	102.6
1937	112.8	99.4	93.0	88.7	81.9	83.6	88.6	86.6	80.3	75.0	71.4	69.7	96.3
1938	60.8	50.7	52.5	52.2	52.0	53.6	57.1	56.9	56.7	57.8	63.0	62.5	2/54.7
1939	55.7	54.5	72.7										

1/ Note changes in crop year averages 1908-18.
2/ Preliminary. Includes unredeemed loans on wheat at estimated average loan value.

Compiled from reports of the Agricultural Marketing Service, based on returns from special price reporters. Monthly prices by States weighted by production to obtain a price for the United States; average for the year obtained by weighting State price averages for the crop-marketing season.

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RYE PRODUCTION

The production of rye in the 20 countries for which reports are available is estimated at about 913 million bushels (table 15). This is about 3 million bushels above the total for these countries last year. These 20 countries in 1938 produced about 85 percent of the estimated world production. The 17 European countries reporting show an increase of about 1 percent compared with the 1938 production.

Table 15.- Rye: Production in specified countries, 1936-39

Country	1936	1937	1938	1939
	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.
United States	25,319	49,830	55,039	40,834
Canada	4,281	5,771	10,988	16,549
Total (2)	29,600	55,601	66,027	57,383
Europe:				
Bulgaria	8,188	9,387	7,337	9,674
Estonia	6,044	8,327	7,403	8,031
Finland	12,134	16,982	14,507	12,755
Germany	290,793	272,296	1/356,000	2/369,310
Austria	18,610	16,830	23,373	
Greece	1,654	2,569	2,439	2,257
Hungary	28,114	24,325	31,677	2/ 36,510
Italy	5,204	5,701	5,428	5,962
Lithuania	21,354	23,894	24,555	25,707
Luxemburg	449	392	507	549
Netherlands	18,736	19,036	21,259	21,810
Norway	425	443	433	394
Poland	250,536	221,949	285,551	3/300,382
Rumania	17,842	17,768	20,362	19,062
Spain	18,053	4/ 19,700	4/ 16,900	17,212
Sweden	13,838	16,250	15,933	15,275
Switzerland	1,077	1,296	1,447	1,374
Yugoslavia	8,002	8,243	8,941	9,637
Total (17)	721,053	685,388	844,112	855,901
Algeria	29	37	44	44
Total (20)	750,682	741,026	910,183	913,328

1/ Calculated. Includes estimate for the Sudetenland.
2/ Includes Austria and the Sudetenland.
3/ New boundaries and, therefore, not strictly comparable with previous years.
4/ Estimated.